

PHILIPS 52" Full HD LCD TV

RSP: Tk. 399,000/-
Discounted Price: Tk. 365,000/-

Assembled in Europe

28.9 Billion Color Processing
50000:1 Contrast Ratio
5 ms Response Time

TRANSKOM
DIGITAL
Your Trusted Electronics Retailer

Stocks

DGEN ▲ 2.85%
4,838.06

CSCX ▲ 2.82%
9,136.81

Asian Markets

MUMBAI ▲ 0.43%
17,584.87

TOKYO ▲ 1.61%
10,907.68

SINGAPORE ▲ 0.73%
2,909.52

SHANGHAI ▲ 1.35%
3,215.55

Currencies

Buy Tk Sell Tk

USD 68.60 69.60

EUR 97.94 102.18

GBP 109.52 113.93

JPY 0.73 0.78

SOURCE: STANDARD CHARTERED BANK

Commodities

Gold ▲ \$1,136.97
(per ounce)

Oil ▲ \$80.17
(per barrel)
(Midday Trade)

News in Brief

Kuwait approves four-year development plan

AFP, Kuwait City

Kuwait's parliament gave its initial approval on Thursday to a four-year 129-billion-dollar (89-billion-euro) economic development plan.

The plan, the first since 1986, includes such mega projects as parts of a new business hub called Silk City and estimated to cost 77 billion dollars, a major container harbour and a 25-kilometre (16-mile) causeway.

It also includes a railway and metro system, new cities and additional spending on infrastructure, particularly in the health and education sectors.

The ultimate goal of the plan, which extends from the current fiscal year to 2013/2014, is to turn Kuwait into a regional trade and financial centre, said deputy premier for economic affairs Sheikh Ahmad Fahad al-Sabah.

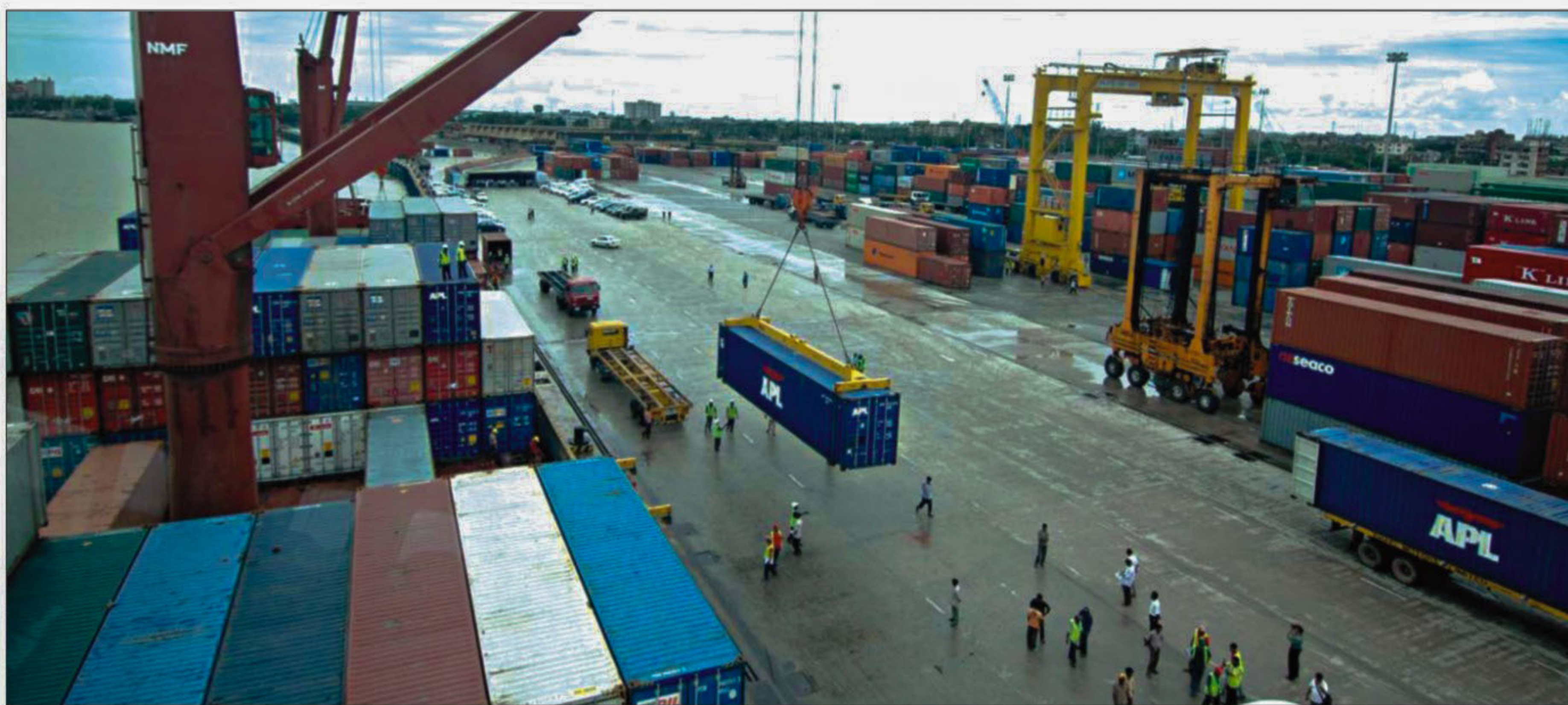
Eastman Kodak sues Apple, RIM over digital cameras

AP, Rochester, NY

Eastman Kodak Co said Thursday it is suing Apple Inc and BlackBerry maker Research In Motion Ltd over technology related to digital cameras in their iPhone and BlackBerry smart phones.

Kodak filed a complaint before the US International Trade Commission alleging the iPhone, Apple's hottest gadget, and Research In Motion's camera-enabled BlackBerry devices infringe on a Kodak patent covering technology for previewing photos.

Kodak is asking the federal agency that oversees trade disputes to bar Apple and RIM from shipping the phones. The agency has the power to order Customs to stop imports of products and parts made with the disputed technology.



A crane moves a container at Chittagong Port. With 8.5 percent annual growth, the seaport's two-thirds capacity is now being utilised.

Analysts back opening ports to neighbours

STAR BUSINESS REPORT

Prime Minister Sheikh Hasina's India visit has created a new era of opportunities and will help improve connectivity in the region, said analysts.

They said the opening-up of Chittagong and Mongla seaports to the next-door neighbours would be of great benefits for Bangladesh not only in revenue earnings but also in facilitating intraregional trade and investment.

Tourism and private sector cooperation will also get a boost, they said.

Prof Mustafizur Rahman, executive director of Centre for Policy Dialogue (CPD), said the prime minister's visit to India has created spirits of goodwill and mutual trust between the two countries.

Bangladesh's ports -- if they are opened for the use of India, Bhutan and Nepal's external trade -- will help Bangladesh earn revenue and create much-needed employment.

Annisul Huq, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), also said making accessible the ports and railway for the neighbours will normally benefit Bangladesh and help increase intraregional economic activities.

But Abdul Hafiz Choudhury, former president of Metropolitan Chamber of Commerce and Industry, made cautious observations on allowing neighbours to use the ports, which he said are quite often unable to cater to the country's own needs.

Dr M Rahmatullah, a transport and communications expert, said Mongla Port that remains almost unused for years would get new life with the latest development.

Three deals on fighting terrorism, organised crime and drug trafficking and two memoranda of understanding on power and cultural exchange were signed during the premier's visit.

In other major developments, Bangladesh has allowed India to use its two seaports -- Chittagong and Mongla. India has also been permitted to extend its railway and river route up to Bangladesh's Akhaura and Ashuganj respectively, which India had been demanding for years.

On the other hand, Bangladesh has received \$1 billion credit line from India to develop its railway

and road infrastructure. India has also agreed to help Bangladesh strengthen the capacity of its testing institute for certification.

India has also agreed to supply 250MW of power to Bangladesh.

South Asia is one of the poorly connected regions in the world. Its intra-regional trade is only 3 percent, which is 58 percent under North American Free Trade Agreement, 62 percent in Europe and around 30 percent in Association of Southeast Asian Nations.

The World Bank and the Asian Development Bank have long been pushing the South Asian countries to increase regional cooperation for the sake of mutual benefits.

"All the regional blocs gained from economic cooperation except South Asia," said the FBCCI president. He stressed diversifying Bangladesh's trade basket, which he said contains a few products. India should also be cordial in doing business with its neighbours, Huq said.

He welcomed the decision of opening up of the ports, but called upon the government to be more careful about the fare to be charged on other countries' users.

"There will be some income, no doubt. But we have to keep in mind that the existing port capacity is unable to cater to our needs," said Abdul Hafiz Choudhury.

Choudhury also questioned India's poor commitment in addressing numerous non-tariff barriers (NTBs) it imposed on exports from Bangladesh.

The FBCCI president also echoed Choudhury's views on NTBs. "No visible progress has been made in case of NTBs," he added.

Rahman of CPD said: "A good start has been made. This is a process to go for further negotiations and treaties."

Rahmatullah questioned ambiguity in terms of 'transit' to Nepal and Bhutan.

"We want Nepal and Bhutan to do their external trade using our ports. Bangladesh's transit to Nepal and Bhutan won't benefit us. It needs to be made clear."

Ctg port capable to handle extra load

Say CPA officials

STAFF CORRESPONDENT, Ctg

Chittagong Port is capable of handling additional load if it opens up to India and other neighbouring countries, said officials yesterday.

But they suggested widening hinterland and developing infrastructure for goods transportation in and out of the port.

If the port is opened to the neighbouring countries, with its existing resources, it will be able to bear the additional pressure these countries may generate, said the officials of Chittagong Port Authority (CPA).

"CPA is ready to develop infrastructure and other facilities, if the government gives the green light to the port to open up to India and Nepal and Bhutan as well," said Nazrul Islam, the acting chairman of CPA.

The port's storage capacity stands at 31,000 TEUs (twenty equivalent units). Around 11 lakh TEU containers were handled last year.

With 8.5 percent annual growth, the port's two-thirds capacity is now being utilised, the officials said, pointing also to underutilisation of berths.

If the three neighbours use the port, additional load is unlikely to cross 1 lakh TEUs, the officials added.

Meanwhile, a feasibility study carried out for the proposed deep-sea port, due in 2020, shows that the use of the port by seven northeast Indian states (collectively known as Seven Sisters) along with Nepal, Bhutan and Kunming province of China could generate an additional container handling of around 1 lakh TEUs a year.

In a recent letter, the CPA informed the parliamentary standing committee on finance ministry that the port with its existing resources can support additional load from the Seven Sisters up to 2015.

Bangladesh's annual handling of containers may rise up to 20 lakh TEUs by 2015 and 25 lakh TEUs by 2020, according to the CPA.

"With installation of equipment, development of back-up facilities at NCT and implementation of proposed Karnaphuli Container Terminal (KCT), the port's handling capacity may rise to 40 lakh TEUs by that time," said CPA Secretary Syed Farhaduddin Ahmed.

In this context the CPA official said the Inland Container Terminal (ICT) at Pangaon near Dhaka, construction of which is now progressing fast, will contribute a lot to container transportation through waterway and ease pressure on roads.

Acting Chairman Nazrul Islam has also hoped that implementation of the projects such as NCT back-up facility and capital dredging of the Karnaphuli river will significantly raise the port capacity.

China agrees to offer \$211m for Teletalk upgrade

MD HASAN

China has agreed to provide \$211 million as loan to state-run mobile operator Teletalk to develop its upcoming 3G (third generation) networks.

A visiting Chinese delegation comprised of representatives from China Exim Bank and China National Machinery & Equipment Import & Export Corporation (CMEC) appraised Teletalk and BTRC officials of the matter yesterday.

"The seven-member team also appraised Teletalk's present status and future prospect in the market," said a high official of the country's sixth operator (in terms of subscriber base).

The loan agreement will be signed at state level. The Chinese government will provide the loan through China Exim Bank at 2 percent interest rate in the next two years.

Teletalk officials said the loan repayment time might be 20 years in line with discussions.

However, under the possible agreement, Teletalk will have to import all equipment for its 3G-expansion project from China-origin vendors, while CMEC will have the authority to select the vendors.

In September 2006, China Exim Bank and the Ministry of Finance of Bangladesh signed a general loan agreement on a preferential buyer's credit worth \$211 million. The deal expired in August 2008 without any payment.

Later, the Bangladesh side proposed to provide the loan to the "Introduction of 3G and Expansion of 2.5G Network" project instead of BTTB's "Installation of Digital Telephone Exchanges in Metropolitan cities and Important District Headquarters and Upazila Growth Centres".

In August 2009, China at a state-level meeting

primarily expressed its interest to finance five projects involving more than \$1 billion including Teletalk's expansion project as Bangladesh sought \$5.14 billion assistance for 28 projects.

Teletalk officials said the operator will get \$211 million under a soft loan scheme.

Bangladesh is a six-operator mobile market where Teletalk is the bottom player with 1.07 million subscribers as of December 2009.

Norway's Telenor majority Grameenphone is the market leader with 23.26 million subscribers followed by Egypt-based Banglalink's 13.87 million and Telekom Malaysia's AKTEL's 9.29 million as of end-December.

The total number of mobile phone subscribers reached 52.43 million by the end of December, according to Bangladesh Telecommunication Regulatory Commission (BTRC).

Teletalk board had earlier sought strategic partner to bring the company at a competitive level.

Russia's AFK Sistema and UAE-based telecom operator Etisalat expressed interest to buy stakes in the state-run sole mobile operator. Recently Vietnam's Viettel also wanted to invest \$250 million in Teletalk. However, nothing happened as yet.

"The Chinese delegation wanted to know the prospect of Teletalk and 3G," said Zia Ahmed, chairman of BTRC. He said Teletalk would be one of the four prospective 3G operators in Bangladesh market.

BTRC is now working to prepare the final guideline for 3G spectrums. The 3G-spectrum auction is expected to take place by June this year.

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Stocks return from losses

STAR BUSINESS REPORT

Dhaka stocks bounced back more sharply yesterday than it plunged the day before.

The market shook off jitters over the regulator's intervention, resulting in a dramatic rebound with a highest gain in the last two months in the key index of Dhaka Stock Exchange, analysts said.

The DSE General Index jumped 133.9 points, or 2.84 percent, to 4,838.05, also the highest-ever level.

It seemed that the investors got rid of the fear, caused by the market regulator on Wednesday, Arif Khan, deputy managing director of IDLC Finance, told The Daily Star.

"Investors took part in the trading actively."

The Securities and Exchange Commission directed some leading merchant banks and brokerage houses to stop financial adjustment or money netting facilities for Wednesday.

As surveillance team of the SEC also inspected some of those institutions to check whether they were following the commission's direction.

The financial adjustment or money netting facility allows an investor to purchase shares imme-



diately after completing share sales.

Like the benchmark index, the broader DSE All Share Price Index shot up 108.34 points, or 2.78 percent, to 4,000.78.

Gainers beat losers 223 to 13, with one security remaining unchanged.

Grameenphone topped the turnover leaders with 35,07,000 shares worth Tk 73.10 crore being traded on the DSE.

The Chittagong stocks also marked a sharp rise. The CSE Selective Categories Index went up 250.72 points, or 2.82 percent, to 9,136.8. The CSE All Share Price Index also jumped 378.78 points, or 2.76 percent, to

Two Boeing aircraft to join Biman in 2011

REJAUL KARIM BYRON

Two new Boeing aircraft will join Biman fleet next year, a most of the planes of the national carrier are more than 15 years old and reaching the end of their economic life.

A meeting of the cabinet committee on economic affairs yesterday approved a proposal for giving Biman Bangladesh Airlines the sovereign guarantee to take loans from local banks for purchasing the airliners.

Finance Minister AMA Muhith chaired the meeting.

In line with an agreement with US-based Boeing Company, an aircraft will join Biman fleet in November 2011, while another plane will be added in December the same year, Civil Aviation and Tourism Secretary Shafique Alam Mehedi told The Daily Star yesterday.

A syndicate of nine local banks will give Biman a loan of \$114.75 million for purchasing the two aircraft from Boeing.

This is for the first time after the country's independence that local banks are giving such a big amount of loan to a government entity in foreign currency.

The national flag carrier is taking the loan from the local banks' syndicate led by Eastern Bank Ltd at a low interest rate of 4.57 percent.

The civil aviation and tourism ministry had earlier sought approval of the cabinet committee on economic affairs for waiving the conditions of Public Procurement Act for the pre-delivery payment to Boeing.

The ministry also sought waiver of the suppliers' credit rules for taking commercial loans in foreign currency. Biman signed the agreement with Boeing in 2008 to purchase 10 aircraft for \$1.31 billion to strengthen its fleet.

In line with the agreement, Biman has already paid Boeing \$11.96 million for buying the planes. Boeing is supposed to supply the two aircraft in 2011 for \$424 million.

The syndicate of the local banks also includes BRAC Bank, National Bank, IFIC Bank, The City Bank, AB Bank, Prime Bank, Premier Bank and Citibank NA.

Biman has eight aircraft in its fleet -- four DC-10s, two Airbus and two F-28s. Of those, two have been taken on lease.

MERCHANT BANKS' MOVE ON SEC DIRECTIVES

Merchant bankers have decided that if the SEC makes any directive during trading hours, they will implement them collectively in discussion with each other.

Meanwhile, SEC has set April 30 as the deadline for installing "unique software" through which all statistics about financial adjustment can be available.

The SEC also asked Dhaka and Chittagong stock exchanges to provide statistics about financial adjustments to the commission once a month manually instead of once a week.